

# HOUSE BILL No. 1733

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 27-1-12-8.5.

**Synopsis:** Life insurance coverage of a minor. Defines "minor" as an individual who is less than 17 years of age. Provides that the beneficiary of an insurance policy that insures the life of a minor must have an insurable interest in the life of the minor. Prohibits an insurer from knowingly issuing or delivering an insurance policy that insures the life of a minor if the policy, together with any other life insurance policy, will insure the minor's life for more than \$20,000, unless the insurer files a form with the department of insurance that specifies the reason for insuring the life of the minor for a higher amount.

**Effective:** July 1, 2001.

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January 17, 2001, read first time and referred to Committee on Insurance, Corporations and Small Business.

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First Regular Session 112th General Assembly (2001)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

## HOUSE BILL No. 1733

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A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. IC 27-1-12-8.5 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2001]: Sec. 8.5. (a) **As used in this section, "minor" means an**  
4 **individual who is less than seventeen (17) years of age.**

5       **(b) A beneficiary of a policy of life insurance that insures the life**  
6 **of a minor must have an insurable interest in the life of the minor.**

7       **(c) Except as provided under subsection (d), an insurer may not**  
8 **knowingly issue or deliver a policy of life insurance that insures the**  
9 **life of a minor for an amount that, together with any other policy**  
10 **of life insurance on the life of the minor that is in force at the time**  
11 **the insurer issues or delivers the policy, exceeds twenty thousand**  
12 **dollars (\$20,000).**

13       **(d) If an insurer issues or delivers a policy of life insurance that,**  
14 **in combination with any other policy, insures the life of a minor for**  
15 **an amount in excess of the amount specified under subsection (c),**  
16 **the insurer must file with the department of insurance a form that:**

17       **(1) is signed by the person that purchases the policy; and**



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- 1 (2) specifies the reason for insuring the life of the minor for an  
2 amount greater than twenty thousand dollars (\$20,000).

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